

Hello,

I would be happy to answer your questions to continue using your platform and hopefully you will find my answers sufficient. I have already had to do this with Coinbase and a few other companies as well so I am going to provide a lot of detail for you here because I understand the need for it.

1. The main source of my funds is from Mining and Trading. I have been in the Bitcoin space since late 2013 and initially my stockpile of bitcoin was made through mining. I have a lot of power pointed into Antpool right now and could have the owners of Bitmain contact you to verify if needed. I also mine in Kano Pool and back when Genesis mining was big into Bitcoin I had a lot of power with them. (You can verify this with Marco Streng who is the owner of Genesis Mining as well). I also have several trading accounts on just about all of the exchanges. Kraken, OkCoin, Poloniex, Bitfinex, Bittrex, and I could name dozens of others that also include yours. I can show you some screen shots of the balances in a few of these accounts if needed. Most of the conversion I do is through Coinbase. I have a \$200k/day limit with them on both buy and sell and they are the main source that I use. However, I do like your service! You guys were one of the first to be legit in the US with the way you set your account and since your exchange doesn't have much volume I don't trade on it, I only use it to cash out to my BOFI account. I would really like to keep it open for this purpose but I understand you are moving away from trading and pivoting to be more of a blockchain company so if I need to move my Bitcoin out I will. Are you shutting down a lot of accounts or are you just doing KYC follow ups?

2. Purpose of Itbit account is to cash out to USD. As you will see I have never placed a buy order on your exchange. Only transfers in. When the price is good I exchange. The account this is tied to is one that funds my blockchain capital account. I have been investing with Brock Pierce in many companies for the past few years and I have tied this to my [REDACTED] account - [REDACTED] ab  
out 90% of the funds cashed out of your exchange go into an account that I use to invest in syndicates (mainly blockchain companies).

3. I am a high frequency trader and I engage in arbitrage across various platforms mentioned, forecasting and I have a company that has been building a trading algo for nearly 3 years. I could tell you my algorithm... but then I would have to kill you... (just kidding, hopefully you enjoy a bit of humor here). Unfortunately, as I mentioned before your exchange does not have enough volume to be included but if it ever gets there I will be (or could be) a high volume trader.

4. I am going to include two screenshots of my Poloniex account for this review. I am showing you this account because over the past year I have been focusing on a lot more than just Bitcoin. Ethereum, Dash, Factom, and other coins have been very profitable. These coins get converted back to Bitcoin and end up in ItBit account if I need to move them over to make an investment.

Screenshot 1 - my verification page

Screenshot 2 - my balances (you can see my limit of \$250k/day here too)

5. Third party wallets... ALL OF THEM! mainly I use [blockchain.info](#) but I have set up just about all of them to see what they are about. I also have all the hardware wallets. Trezor, KeepKey, MyLedger, and even old school Mycelium and paper wallets. Probably about 100+ wallets.

6. Trading volume on your platform is very small and not consistent. I would say like \$10-\$20k/month, but this is random and again I only use your exchange for point #2

Hope this helps, I would really like to keep this account open and to even increase all my limits to the max you will allow so that if your volume does increase, or you add ETH or any other tokens in the future I can cash out through your exchange. I would also like more information about your new services under Paxos. I have heard rumors and know you are focusing on blockchain stuff but don't know what that means. Are you looking for funding? have a round coming soon? Maybe we can

Thank you,  
-Matt Goettsche

On Thu, Oct 6, 2016 at 10:22 AM, <[help@itbit.com](mailto:help@itbit.com)> wrote:

---

**Matthew Goettsche**  
**Subject:** Information Regarding Your Account

---

OCT 06, 2016 | 04:22PM UTC

[REDACTED]  
Hello

From time to time, we will ask our clients questions to ascertain the nature of their activity. We do this to ensure the safety and security of our trading platform. Please respond to our inquiries if you wish to continue to trade on our platform. **If we do not hear from you by October 10, 2016, we will have to reconsider whether to maintain your account. We would like some further information regarding your activity:**

- 1) What is the source of funds for your account? If your source of funds is employment, please provide the name and location of your employer and your title/position. If it's not employment, please provide, in detail, how the source of funds is generated.
- 2) What is the purpose of your itBit Account?
- 3) If you are a trader, please provide us with a description of your trading strategy.
- 4) If you trade on other bitcoin exchanges, please provide us with their names.
- 5) What third party bitcoin wallets do you use?
- 6) What is your estimated monthly trading volume on our platform? (Please provide in USD per month)

Regards,  
itBit Support

© itBit Trust Company, LLC. 2015 All Rights Reserved.

This message contains information that may be confidential and/or privileged. If you are not the intended recipient, you are hereby notified that you have received this transmittal in error; any review, dissemination, distribution or copying of this transmittal is strictly prohibited. If you have received this transmittal and/or attachment(s) in error, please notify the sender immediately by reply email or by telephone ([1-855-997-2994](tel:1-855-997-2994)) and immediately delete this message and all of its attachments, without retaining any copies. Thank you.

---

OCT 04, 2016 | 02:35PM UTC

[REDACTED] replied:  
Hi Matthew,

From time to time, we will ask our clients questions to ascertain the nature of their activity. We do this to ensure the safety and security of our trading platform. Please respond to our inquiries by 10/7/16, if you wish to continue to trade on our platform.


- 1) What is the source of funds for your account? If your source of funds is employment, please provide the name and location of your employer and your title/position. If it's not employment, please provide, in detail, how the source of funds is generated.
- 2) What is the purpose of your itBit Account?
- 3) If you are a trader, please provide us with a description of your trading strategy.
- 4) If you trade on other bitcoin exchanges, please provide us with their names.
- 5) What third party bitcoin wallets do you use?
- 6) What is your estimated monthly trading volume on our platform? (Please provide in USD per month)

Regards,

© itBit Trust Company, LLC. 2015 All Rights Reserved.

This message contains information that may be confidential and/or privileged. If you are not the intended recipient, you are hereby notified that you have received this transmittal in error; any review, dissemination, distribution or copying of this transmittal is strictly prohibited. If you have received this transmittal and/or attachment(s) in error, please notify the sender immediately by reply email or by telephone [1-855-997-2994](tel:1-855-997-2994) and immediately delete this message and all of its attachments, without retaining any copies. Thank you.

---

This message was sent to 

--

---

Matt Goettsche